



FILED

05/01/23

04:59 PM

A2305004

Exhibit B
Draft Customer Notices

Si necesita asistencia en español, tenemos representantes de servicio al cliente disponibles para ayudarle cuando lo solicite, por favor llame al número 1-800-727-5987

NOTICE OF APPLICATION
Liberty Utilities (Park Water) Corp.'s Request to Increase Water Rates
APPLICATION NO. A.23-05-XXX

Why am I receiving this notice?

On May 1, 2023, Liberty Utilities (Park Water) Corp. (Liberty Park Water) filed Application No. A.23-05-XXX with the California Public Utilities Commission (CPUC) requesting the authority to increase its authorized cost of capital and rate of return for the period of July 1, 2024 through June 30, 2027. Liberty Park Water's application requests an increase to the authorized rate of return from 7.35% to 7.87%. Liberty Park Water is requesting this increase due to the increases in the cost of capital that Liberty Park Water uses to fund facility improvements needed to provide service to customers. If the CPUC approves this request, Liberty Park Water's revenues would increase by \$1,240,000 or 2.83% in 2024.

Why is Liberty Park Water requesting this rate increase?

The CPUC requires Liberty Park Water to file a Cost of Capital Application every three years. The authorized cost of capital determines the amount of money Liberty Park Water is allowed to recover in rates as a return on the funds it has invested in utility infrastructure used in providing water service. Liberty Park Water's proposed cost of capital request for the period July 1, 2024 through June 30, 2027 is summarized in the following table:

Cost Factor	Capital Structure (Weight)	Cost	Weighted Cost
Long-Term Debt	43.00%	3.99%	1.72%
Common Equity	57.00%	10.80%	<u>6.16%</u>
			7.87%

How could this affect my monthly water rates?

If the proposed application is approved by the CPUC, the average residential customer with a 5/8" x 3/4" meter using 9.21 Ccf would see a monthly bill increase of \$2.45 (or 2.88%) from \$84.73 to \$87.18 from July 1, 2024 through June 30, 2027. The table below excludes applicable taxes and surcharges.

Rate Impact on Average Residential Customer's Bill

	Present Monthly Bill	Proposed Increase	Proposed Monthly Bill	Proposed Increase %
5/8 inch x 3/4 inch meter	\$84.73	\$2.45	\$87.18	2.88%

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt Liberty Park Water's application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding are currently reviewing Liberty Park Water's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information regarding the Public Advocates Office, please call 1-415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov, or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?**Contact Liberty Park Water**

Phone: (800) 727-5987
Email: Customerservicepark@libertyutilities.com
Mail: Liberty Utilities (Park Water) Corp.
Attention: Regulatory Department
9750 Washburn Road, Downey, CA 90241

A copy of the Application and any related documents may also be reviewed at <http://www.libertyutilities.com>.

Contact CPUC

Please visit apps.cpuc.ca.gov/c/Axxxxxxx to submit a comment about this proceeding on the CPUC Docket Card. Here you can also view documents and other public comments related to this proceeding.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**
Email: Public.Advisor@cpuc.ca.gov
Mail: CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

Please reference **Application No. A.23-05-XXX** in any communications you have with the CPUC regarding this matter.

Si necesita asistencia en español, tenemos representantes de servicio al cliente disponibles para ayudarlo cuando lo solicite, por favor llame al número 1-800-481-9190

NOTICE OF APPLICATION

**Liberty Utilities (Apple Valley Ranchos Water) Corp.'s Request to Increase Water Rates
APPLICATION NO. A.23-05-XXX**

Why am I receiving this notice?

On May 1, 2023, Liberty Utilities (Apple Valley Ranchos Water) Corp. (Liberty Apple Valley) filed Application A.23-05-XXX with the California Public Utilities Commission (CPUC) requesting authority to increase its authorized cost of capital and rate of return for the period of July 1, 2024 through June 30, 2027. Liberty Apple Valley is requesting this increase due to the increases in the cost of capital that Liberty Apple Valley uses to fund facility improvements needed to provide service to customers. If the CPUC approves this request, Liberty Apple Valley's revenues would increase by \$987,700 or 3.16% on July 1, 2024.

Why is Liberty Apple Valley requesting this rate increase?

The CPUC requires Liberty Apple Valley to file a Cost of Capital Application every three years. The authorized cost of capital determines the amount of money Liberty Apple Valley is allowed to recover in rates as a return on the funds it has invested in utility infrastructure used in providing water service. Liberty Apple Valley's proposed cost of capital request for the period of July 1, 2024 through June 30, 2027 is summarized in the following table:

Cost Factor	Capital Structure (Weight)	Cost	Weighted Cost
Long-Term Debt	43.00%	3.99%	1.72%
Common Equity	57.00%	10.80%	<u>6.16%</u>
			7.87%

How could this affect my monthly water rates?

If the proposed application is approved by the CPUC, the average residential customer with a 5/8" x 3/4" meter using 11.95 Ccf would see a monthly bill increase of \$2.79 (or 3.31%) from \$84.50 to \$87.29 in 2024. The table below excludes applicable taxes and surcharges.

Rate Impact on Average Residential Customer's Bill

	Present Monthly Bill	Proposed Increase	Proposed Monthly Bill	Proposed Increase %
5/8 inch x 3/4 inch meter	\$84.50	\$2.79	\$87.29	3.31%

How does the rest of this process work?

This application will be assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt Apple Valley Ranchos Water's application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at a public CPUC Voting Meeting.

Parties to the proceeding are currently reviewing Apple Valley Ranchos Water's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information regarding the Public Advocates Office, please call 1-415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov, or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?**Contact Liberty Apple Valley**

Phone: (800) 481-9190
Email: DLCAAVRCustomerService@libertyutilities.com
Mail: Liberty Utilities (Apple Valley Ranchos Water) Corp.
Attention: Regulatory Department
21760 Ottawa Road, Apple Valley, CA 92308

A copy of the Application and any related documents may also be reviewed at <http://www.libertyutilities.com>.

Contact CPUC

Please visit apps.cpuc.ca.gov/c/AXXXXXXX to submit a comment about this proceeding on the CPUC Docket Card. You can also view documents and other public comments related to this rate request.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: **1-866-849-8390** (toll-free) or **1-415-703-2074**
Email: Public.Advisor@cpuc.ca.gov
Mail: CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102

Please reference **Application No. A.23-05-XXX** in any communications you have with the CPUC regarding this matter.